

Sally H. Jefferson Regional Government Affairs Manager

June 20, 2014

Mr. Richard Haymaker Chief Legal Counsel Illinois Liquor Control Commission 100 West Randolph Street, Suite 7-801 Chicago, Illinois 60601

Dear Rick:

On behalf of the Wine Institute, a nonprofit trade association representing over 800 California wineries, we appreciate the opportunity to submit for the ILCC's consideration brief comments on proposed Trade Practice rules pending before the Commission.

First, Wine Institute is pleased to participate in discussions with representatives of the Wine and Spirits Distributors of Illinois and DISCUS regarding several of the proposed rules submitted by the Illinois distributors. Our areas of concern deal with certain provisions involving Unlawful Inducements, Consignment Sales, and Cross-Tier and Tied House Ownership Prohibitions and we greatly appreciate the opportunity to continue working with our industry partners in an effort to resolve our collective questions and concerns prior to the ILCC taking final action on these proposed trade practice policies.

Regarding the Commission's proposal on Retailer Specific/Private Labeling, we are unclear as to what the proposed term "generic alcoholic liquor brand" means. From our industry's perspective, private labeled products can comprise a blend of grape varietals and therefore would not meet the definition of "generic." We respectfully urge that the proposed language be clarified to provide clearer guidance as to what would or would not be covered under such a requirement.

Thank you and the Commission for your consideration of our comments and for your work to draft rules to replace existing Trade Practice Policies. Wine Institute looks forward to continuing to work with you, the Commission as well as our industry partners in support of developing Trade Practice rules that are clear and workable.

Sincerely,